

Utah!

Travel Barometer
Research and Planning Newsletter

Division of Travel Development

Utah's Travel Council

February 2002

Here Come The Games ... But What Comes Next ?

The 2002 Winter Olympic Games in Salt Lake City is the nineteenth Winter Olympic celebration since the inaugural Winter Olympics in Chamonix, France, in 1924. Although each Games is unique in its preparation, presentation and legacy, there are many similarities among Olympic host communities. Utah can better prepare for the Olympics and maximize the impacts the Games will have on the local economy by learning from the efforts of recent Olympic host communities to leverage the Games for increasing business and tourism opportunities.

Lessons from Past Olympic Host Communities

- ❖ Context is crucial! Economic circumstances will significantly influence growth prospects. The Olympics are not held in a vacuum. While significant, Olympic-related effects represent only a small portion of total economic activity within a host community. Consequently, economic factors are just as important to future business activity as the Olympics.
- ❖ Successful presentation of the Olympics does not guarantee future growth. There is clear need for post-Olympic marketing. Marketing initiatives must be flexible and adaptive in response to how the media portrays the host community, the personality that evolves during the Games and the lasting impressions that remain with consumers. Identifying clear objectives is crucial to the overall success of Olympic leveraging strategies. Selecting target markets and specific industry segments often helps clarify Olympic leveraging strategies and focus resources.
- ❖ Growth prospects are most favorable in the first three years following the Games and within the Olympic core region. However, due to accelerated investment and development that usually occurs prior to any Olympic Games, there can be some economic volatility as excess capacity is absorbed and more sustainable growth patterns emerge.



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Lessons from Past Communities, Cont.

- ❖ Teamwork and collaborative efforts among multiple and disparate groups is essential to any Olympic maximization strategy. It is important to preserve the relationships and the networks that are built for Olympic planning to prepare for and respond to the post-Games environment.
- ❖ Perhaps the most important long-term benefit the Olympic Games will have on the state of Utah is increasing awareness of the state among government leaders, business executives, meeting planners and potential tourists. To help quantify the magnitude and nature of Olympic-induced awareness changes, the Utah Division of Travel

Development conducted research in selected markets in Europe, Asia and Latin America to understand the pre-Olympic levels of awareness among consumers in these countries. Similar research was also conducted for the domestic market. The results of this research as well as those from the second round (to be conducted following the Games) will help build marketing plans and identify opportunities for maximizing Olympic opportunities around the world.

Jon Kemp, Research Coordinator, Utah Travel Council compiled the information in this summary.

Key Olympic-Related Research Shows:

- 1) Awareness of Utah among the general public in top international markets in Europe, Asia and Latin America is generally low (averaging around 10% in most countries).
- 2) Awareness of Utah within the U.S. is relatively low compared to the neighboring states of Colorado and Arizona.
- 3) Few people are able to associate any specific images with Utah. Besides the LDS Church, the images most commonly associated with the state are stereotypical of the Rocky Mountains and the American Southwest: mountains, deserts and open space.
- 4) Awareness levels for Salt Lake City tended to be higher than awareness levels for Utah.
- 5) Perceptions of crowds and high prices will likely deter some winter vacationers from traveling to Utah during the 2002 season.

-- Jon Kemp --

Fast Facts

More than 150 journalists requested and received information and trip planning assistance from the Travel Council in December 2001 and January 2002. Over 55 journalists have participated in Familiarization Tours. Hundreds of the Division's photo CD's have been distributed during this time period, as well as more than 25 sets of "B-Roll" footage.



Travel Utah! – The 1,000-Day Plan

A Tactical Compliment to the Division of Travel Development's Long-Range Strategic Plan

Objectives:

- ❖ To Capitalize on awareness bonus of winter Olympics
- ❖ To build a branding bridge between passive awareness and active need to travel for discovery and recovery values
- ❖ To add significant reinforcement to the "quality of life" argument for the Silicon Valley Alliance's branding effort; particularly the "accessible recreation" element
- ❖ To bring velocity to the state's economic recovery

Plan Execution --- Four Elements:

- 1) **Qualitative and Quantitative Research** – Probe consumer awareness to obtain "hot button" elements of games impressions and take-away that can be recalled in future messages. Explore dynamics of consumer awareness and image of Utah for improved targeting and messaging.
- 2) **Paid Media** – Tie Olympic memories to place-based messages emphasizing the brand values of discovery/recovery, quality of life, and excellent business climate. Obtain significant levels of reach and frequency in strategic markets. Balanced use of all channels to reinforce the message. Where appropriate, leverage media resources with DBED, local providers, and co-branding partnerships.
- 3) **Earned Media** – Continue efforts with global PR function to generate stories in travel and general circulation publications and broadcasting outlets.
- 4) **Travel Trade Missions** – Integrate travel interests with Governor's trade mission, schedule and events. Use strategic consideration for travel markets (both mature and developing) in selection criteria. If/where travel strategic markets differ with Governor's schedule, invite local travel entities and businesses in travel-themed missions and trade activities.

The 1,000-Day Plan Schedule

Phase I



December, 2001 – Torch relay

Exhibit Bud Greenspan film, "Discover Utah" in as many cities on torch route as possible. Facilitate wholesale and retail distribution of the film.

February, 2002 – Games Time TV Broadcast

Local market coverage on NBC affiliates in key markets celebrating the games values with reminders that Utah! will continue to welcome the world after the games have gone.

1,000-Day Plan, Cont.

Spring 2002 –

Conduct the research, both qualitative and quantitative.

Phase II

The next 350 days - Driven by the research findings which refine the message and may help focus targeting, paid message campaigns would recall Olympic hot buttons, integrate the escape, discovery, recovery emotions and given local and industry partnership leverage, make a specific offer. Quarterly insertions would add frequency and underscore multi-season opportunities. Execute full schedule of travel trade activities with particular emphasis on trade missions.

Phase III

The last 500 days – Continue to focus on brand values of escape, discovery, recovery, and accessible recreation. Goal is *hard thrust* to garner market share from Colorado and Arizona in both winter recreation and destination resort activity segments. Continue travel trade activities with particular emphasis on trade missions.



Tactical Objectives of the Advertising Campaigns

- ❖ Bring the Olympics from abstract entertainment to active need to visit the host destination and personalize the memories
- ❖ Promote Utah as a year-round destination
- ❖ Increase visits to utah.com
- ❖ Maintain design continuity between winter and warm weather messages and between travel and business branding messages
- ❖ Leverage the marketing resources with co-branding and co-operative partnerships

The Tourism Marketing Performance Fund Committee

By

Stacey Clark, Strategic Planning Coordinator, Utah Travel Council

In November of 2001, Governor Michael O. Leavitt named twelve individuals to the Tourism Marketing Performance Fund Committee which is charged with providing guidance for the use of funds generated by the Tourism Marketing Performance Fund, a component of HB 107. Each appointee was selected to represent a specific tourism industry segment, as well as to provide balanced geographic representation across the state.

Committee appointees are Frank Jones with Avis, representing the Automobile Rental Industry; Steve Roberts, Utah Division of Parks and Recreation

representing Public Lands; Dinosaurland Director, Lori Olmstead representing the Utah Travel Regions; Dean Reeder in his role as the Director of the Division of Travel Development (Utah Travel Council); Maloy Dodds, a Garfield County Commissioner representing the interests of Utah's 29 county governments; Robert Kimsey, Sizzling Platter Group is the appointee from the Restaurant Industry; Park City's Fandango Resorts' Matt Bailey represents the Lodging Industry; Connie Marshall from Alta Ski Area was named from the Ski Industry; Preston Paxman, with Moab's Canyonlands By Night and Day represents the Recreation Industry;

Performance Fund Committee Cont.

Steve Lewis of Lewis Brothers Stages serves the Transportation Industry, Barbara McConvill of the Ogden/Weber Convention and Visitors Bureau is the Tourism at Large representative, and Rep. Sheryl Allen of Davis County is the committee member appointed from the Utah State Legislature.

This committee is organized according to guidelines included in HB 107 which was passed during the 2001 Legislative Session. The committee's first meeting was held December 19, 2001. Commissioner Maloy Dodds was elected to Chair the committee with Stephen Roberts elected to serve as Vice Chair.



The Committee's second meeting on January 15, 2002 resulted in a recommendation that the money in the Performance Marketing Fund for FY 02 be spent on a summer/fall continuation of the 20.02 promotion which would involve businesses, public lands entities, and tourism-related organizations offering 20.02% discounts, in an effort to capitalize on the publicity generated by the Olympics.

The Committee also sent the Legislature a recommendation that funding for the tourism Marketing Performance Fund should be increased to \$2,002,000.

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Visit Utah! Online at www.utah.com or
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Travelers Who Love History and Culture Spend More and Stay Longer Than Average Tourists

Washington DC – January 2002 – Nearly 93 million Americans say they included at least one cultural, arts, heritage or historic activity or event while traveling in the past, and this group has tremendous economic potential for the travel and tourism industry, according to the *Travel Industry Association of America (TIA)*. Many travelers extend their specifically to participate in cultural or historic events and activities. In fact, one-third (32%) of historic/cultural travelers (29.6 million travelers) say they added extra time to their trip because of a cultural, arts, heritage or historic activity or event.

These Travelers represent an older and more-educated audience than the national average. They spend an average of 38% more per trip. They stay longer in paid accommodations, and participate in many activities including shopping more often than the national average. They most commonly add at least a day to their trips to take advantage of historic /cultural events. Eighteen percent of historic/cultural travelers say they spend more than \$1,000 when they travel compared to 12% of all travelers.

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2001 3rd Quarter Visitor Statistics

<i>Indicator</i>	<i>2001 Q3</i>	<i>2000 Q3</i>	<i>% Change</i>	<i>YTD 2001</i>	<i>YTD 2000</i>	<i>% Change</i>
Salt Lake Int'l Airport	4,969,160	5,434,967	-8.6%	14,673,665	15,282,900	-4.0%
Nat'l Park Rec Visits	1,963,551	2,232,295	-12.0%	4,052,593	4,565,595	-11.2%
Arches	293,080	319,627	-8.3%	657,126	689,025	-4.6%
Bryce Canyon	510,559	552,396	-7.6%	935,736	958,116	-2.3%
Canyonlands	130,250	148,611	-12.4%	309,493	342,101	-9.5%
Capitol Reef	206,661	249,310	-17.1%	453,819	532,090	-14.7%
Zion	823,001	962,351	-14.5%	1,696,419	2,044,263	-17.0%
Nat'l Monument & Rec Areas	1,809,613	1,910,667	-5.3%	3,325,968	3,505,721	-5.1%
Utah State Parks	2,622,658	2,833,529	-7.4%	5,338,933	5,758,112	-7.3%
Utah Welcome Centers	280,546	331,045	-15.3%	560,753	633,193	-11.4%
Utah Hotel Occupancy Rate	65.2%	68.1%	-2.9%	63.4%	63.7%	-0.2%